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Arizona Corporation Commission

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OCT 28 2016

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BEFORE THE ARIZONA CORPORATION COMMISSION

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COMMISSIONERTOM FORESE
COMMISSIONERANDY TOBIN
COMMISSIONER

IN THE MATTER OF THE) DOCKET NO. E-04204A-15-0142
 APPLICATION OF UNS ELECTRIC,)
 INC. FOR THE ESTABLISHMENT)
 OF JUST AND REASONABLE)
 RATES AND CHARGES DESIGNED)
 TO REALIZE A REASONABLE)
 RATE OF RETURN ON THE FAIR)
 VALUE OF THE PROPERTIES OF) THE ALLIANCE FOR SOLAR
 UNS ELECTRIC, INC. DEVOTED TO) CHOICE'S COMMENTS
 ITS OPERATIONS THROUGHOUT)
 THE STATE OF ARIZONA, AND)
 FOR RELATED APPROVALS.)

Attached are the comments of the Alliance for Solar Choice in response to UNSE's
 September 30, 2016, Pricing Plan Customer Communication Campaign document.

Respectfully submitted this 28th day of October, 2016./s/ Court S. Rich

Court S. Rich

Rose Law Group pc

Attorneys for The Alliance for Solar Choice

1 **Original and 13 copies filed on**
2 **this 28th day of October, 2016 with:**

3 Docket Control
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ATTACHMENT

Comments of The Alliance for Solar Choice on UniSource Electric's Customer Communications Plan

I. Introduction

On August 11, 2016, the Arizona Corporation Commission ("ACC" or "Commission") approved Decision No. 75679, which adopted a transition to default TOU rates for UniSource Electric's ("UNSE") residential customers and ordered UNSE to file a customer communications plan to educate customers about their rate options and how they can manage their bills.¹ As directed by the Commission, UNSE filed the *UNSE Pricing Plan Customer Communications Campaign* ("Customer Communications Plan") on September 30, 2016, articulating the various methods by which UNSE plans to engage residential customers about their electric consumption and optimal electric rate plan.

The Alliance for Solar Choice ("TASC") hereby submits comments on UNSE's Customer Communications Plan. While TASC commends UNSE's efforts to design a thoughtful communications plan, TASC has several concerns regarding accuracy of educational materials and tools, and preparedness of UNSE customer care representatives to provide correct information based on each customer's characteristics. TASC recommends that the Commission direct UNSE to make the following modifications to its Customer Communications Plan, outlined in more detail below, prior to approval:

1. Ensure that all communications materials provided to customers are fair and unbiased towards distributed generation customers. Language should not discourage or disparage the acquisition or use of distributed generation.
2. Make edits to improve the proposed "lifestyle calculator."
3. Ensure that UNSE's customer care representatives are able to provide accurate information regarding rate plans to all customers, including distributed generation customers.

II. Customer Education Materials Should Be Fair and Unbiased Towards Distributed Generation Customers

TASC believes that the various methods for communicating with customers presented in UNSE's Customer Communication Plan, such as providing pricing and consumption information on UNSE's website and mobile app, and physically through email, bill inserts, and letters, will be effective in reaching the vast majority of UNSE's customers. However, given the negative perspective towards distributed generation that UNSE has expressed in its ongoing rate case, TASC is concerned about the potential for UNSE to include biased language within its customer communication materials. For example, framing UNSE's new optional demand-based rates or higher fixed charges as necessary due to increased adoption of distributed generation resources within its service territory, would unfairly and erroneously attribute blame of fixed-cost recovery issues to distributed generation customers.

While TASC appreciates that solar and distributed generation customers are not singled out in the Customer Communications Plan, TASC requests that UNSE be required to ensure

¹ ACC Decision No. 75679, p. 143, lines 7–11 (August 11, 2016).

that any education and outreach material related to UNSE's residential rate options and bill management do not assign unsubstantiated blame to distributed generation customers.

III. Proposed Lifestyle Calculator Features

In its Customer Communications Plan, UNSE describes the "lifestyle calculator" tool it plans to develop as a resource on its website that will ask customers about their electric consumption characteristics, and "direct customers to consider the pricing plan that, based on their answers, might be right for them."² Based on the information provided by UNSE, it is unclear how advanced this tool will be. UNSE simply states that the calculator will "ask customers how they use electricity and whether they would be open to using it at different times of day." TASC is concerned that this calculator tool, as proposed, is overly simplified, and will not be able to accurately provide customers with a recommendation for an optimal rate plan based on their consumption characteristics, such as whether the customer has distributed generation, an electric vehicle, or other large load-driving appliances like multiple air conditioning units or a swimming pool.

If UNSE is going to expend resources to develop a tool to advise customers on their optimal rate plan based on usage characteristics, as it intends to do with the lifestyle calculator, the tool should be more advanced than the proposed lifestyle calculator. Should UNSE move forward with developing this calculator, TASC recommends that the tool be advanced enough to take into account the characteristics of a customer, such as whether or not the customer had distributed generation, an electric vehicle, or other large load-driving appliances. A tool that stops short of accounting for such important customer details is likely to misinform a customer on the optimal rate plan for their consumption characteristics.

² *UNSE Pricing Plan Customer Communications Campaign* ("Customer Communications Plan"), p. 3.

IV. UNSE's Customer Care Representatives Should Be Well-Informed

UNSE's Customer Care team will play an important role in helping to educate customers. According to UNSE's plan, Customer Care representatives will "answer questions about and promote awareness of the new pricing plans," and will "ensure accurate, consistent" responses. TASC emphasizes the importance of customer care representatives communicating accurate information to all customers regarding the various rate options. Customer care representatives should take into account customer characteristics when making rate plan recommendations to customers, such as whether or not a customer has distributed generation or large load-driving appliances, or practices energy efficiency.

V. Conclusion

TASC appreciates the opportunity to comment on UNSE's Customer Communications Plan, and requests that the Commission adopt TASC's proposed modifications to the plan prior to approval.